

CITY PARKWAY V, INC.

An Affiliate of the City of Las Vegas

January 17, 2007

Mr. James E. Rogers
Chancellor
Nevada System of Higher Education
5550 West Flamingo Road, Suite C-1
Las Vegas, NV 89103

Re: Letter of Intent for development of Parcel A2 and for Option to Develop Parcel K

Dear Mr. Rogers:

On behalf of City Parkway V, Inc. and the City of Las Vegas ("City Parties"), and in consultation with Newland Communities, LLC, the following is an outline of terms under which the City Parties would reserve during the due diligence period described below a 2.2-acre site denoted as Parcel A2 in Union Park for the development of academic and medical uses by the Nevada System of Higher Education ("NSHE").

The City Parties and NSHE agree that this is a nonbinding letter and that all terms herein shall only be binding upon execution of a mutually acceptable Disposition and Development Agreement by NSHE and the City Parties. The City Parties and NSHE further agree and acknowledge that the City Parkway V, Inc. will be granting, and recording against Parcel A2, a non-exclusive access easement to Keep Memory Alive as required for construction of the Lou Ruvo Brain Institute.

City Parties agree that during the due diligence period that they shall not negotiate directly or indirectly, with any person or entity any matters regarding development, sale, lease or other dispositions of Parcel A2 or any portion thereof, except for the easement described above. Such exclusive shall apply to Parcel A2 only and shall not apply to any other portion of Union Park including any other use of Union Park.

NSHE and City Parties agree and acknowledge (i) that this letter creates no obligation on either party to enter into the Disposition and Development Agreement or any other agreement related to the Parcel A2 or Union Park, (ii) the decision to enter into a Disposition and Development Agreement will be at each party's respective sole and absolute discretion and (iii) the approval of the Council of the City will be required for City Parties to enter into a Disposition and Development Agreement or other agreement relating to Parcel A2 or Union Park. NSHE agrees and acknowledges that this letter creates no rights, title or interest in NSHE whatsoever, legal, equitable or otherwise, in Parcel A2 or in Union Park. This agreement does not constitute an agreement for disposition of property or the exercise of control over property by NSHE. Execution of this letter by the City Parties and NSHE is merely an agreement to enter into a period of exclusive, good faith negotiations according to the terms hereof, reserving final discretion

and approval by governing boards of City Parties and the Board of Regents of NSHE as to any and all proceedings and decisions in connection therewith.

Activities of NSHE and City Parties during a Due Diligence Period:

1. Due diligence period will commence on January 30, 2007 and will expire on September 30, 2007.
2. NSHE shall endeavor to obtain a capital commitment for the construction of a minimum of 45,000 square feet of office space in a minimum first phase building of 150,000 square feet on Parcel A2 ("the Capital Commitment").
3. NSHE and City Parties shall endeavor to enter into a Disposition and Development Agreement by June 1, 2007.
4. NSHE may terminate this Letter of Intent, at any time and for any reason, prior to the expiration of the Due Diligence Period.
5. City Parkway V, Inc. may terminate this Letter of Intent upon expiration of the Due Diligence Period if NSHE does not execute a mutually agreeable Disposition and Development Agreement. The Disposition and Development Agreement will govern, among other matters, the conveyance of Parcel A2 and the design and construction of the project on Parcel A2. The Disposition and Development Agreement will be subject to approval of the City Council, and the Board of Regents of NSHE.
6. NSHE is responsible for its own planning costs.
7. NSHE is responsible for its own due diligence costs.
8. NSHE will execute the City Parties' standard access agreement to conduct or perform any on-site due diligence, which includes but is not limited to land surveys, soil borings, soil testing, or any other tests which require NSHE or employees, assigns, or contractors of NSHE to occupy Parcel A2 or any portion of Parcel A2.
9. NSHE is responsible for conducting its own Risk Assessment to determine any environmental risks relative to its proposed use of Parcel A2 prior to expiration of Due Diligence period. NSHE also must obtain separate written agreement with the City Parties to conduct such Risk Assessment on the City Parties' standard access agreement.

10. NSHE will design its space to meet Union Park Design Standards, as currently in effect and as may be amended from time to time.
11. The City Parties will confirm that the land donation meets the Nevada Public Purpose Doctrine as declared in NRS 37.010(2).

Conditions Precedent to Conveyance of Parcel A2:

1. Completion of the obligations required in Due Diligence Period, including reaching mutual agreement on the form of a Disposition and Development Agreement and the terms therein.
2. Notwithstanding the obligation of NSHE to satisfy all Conditions Precedent as to be mutually agreed in the form of a Disposition and Development Agreement and terms therein, the conveyance of Parcel A2 shall be a donation (purchase price of \$10.00).

Responsibility for Environmental Remediation:

1. The City will fund the costs of soil remediation or groundwater remediation, not to exceed \$12 per gross square foot of the Parcel A2, subsequent to commencement of construction and prior to NSHE's attainment of a Certificate of Occupancy for the building program. Except for City Parties' environmental remediation contribution described above, City Parties shall have no obligation in connection with the condition of Parcel A2 or its development. Except as noted above, NSHE would be acquiring Parcel A2 in its "as-is" condition based solely on NSHE's own investigations.
2. The Union Pacific Railroad (UPRR) has certain obligations that are specified in the Grant Bargain and Sale Deed of the Purchase and Sale Agreement between UPRR and Ply Stadium Partners, Inc., which remediation obligations inure to the successive owners of Parcel A2.
3. Upon execution of a mutually acceptable Disposition and Development Agreement, the City Parties will offer to include NSHE as an additional insured on a policy of environmental insurance for Union Park to the extent such coverage is available on commercially reasonable terms.
4. As shall be further described in a mutually acceptable Disposition and Development Agreement, City Parties' responsibilities for the cost of any soil remediation or groundwater remediation shall terminate upon the attainment by NSHE of a Certificate of Occupancy for the building program.

Option to Acquire Parcel K 1.73 Acres

As would be specified in the form of a Disposition and Development Agreement, the City Parties would extend to NSHE an option to acquire Parcel K generally as follows:

1. The commencement date of an option to acquire Parcel K would be the earlier of (a) completion on Parcel A2 of the first phase of construction which is greater than or equal to 45,000 gross square feet in a 150,000 square foot building which includes required on-site parking for such building program, including 350 parking spaces for Keep Memory Alive; or (b) commencement on Parcel A2 of a building program which is greater than or equal to 300,000 gross square feet and which includes required on-site parking for such building program. In all events, the option would expire within two (2) years after the conveyance of Parcel A2.
2. Prior to the commencement date of the Option, the City Parties shall have the right to accept offers from third party, private developers for the development of Parcel K in which case the Option would terminate.
3. The City Parties will consider accelerating the commencement date of the option if NSHE demonstrates a capital funding commitment, sufficient to the satisfaction of the City Parties for the full use of Parcel A2 (minimum of 300,000 square feet plus required parking) and Parcel K (minimum of 175,000 square feet plus required parking) prior to such commencement date.

ACKNOWLEDGED AND AGREED TO:

Douglas A. Selby, President Date
City Parkway V, Inc.

James E. Rogers, Chancellor Date
Nevada System of Higher Education

Approved as to Form:

T. L. Ponticello 1/4/07
Teresita L. Ponticello Date
Deputy City Attorney